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# Please find below and/or attached an Office communication concerning this application or proceeding.

If NO period for reply is specified above, the maximum statutory period will apply and will expire 6 MONTHS from the mailing date of this communication.

• ,	Application No.	Applicant(s)			
	09/502,812	COOK ET AL.			
Office Action Summary	Examiner	Art Unit			
	Daniel I. Walsh	2876			
The MAILING DATE of this communication appears on the cover sheet with the correspondence address Period for Reply					
A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.  - Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filled after SIX (6) MONTHS from the mailing date of this communication.  - If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.  - Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).					
Status					
Responsive to communication(s) filed on <u>25 Oct</u> This action is <b>FINAL</b> . 2b)⊠ This     Since this application is in condition for allowant closed in accordance with the practice under E	action is non-final. ace except for formal matters, pro				
Disposition of Claims					
4) Claim(s) 1-40 and 66-76 is/are pending in the a 4a) Of the above claim(s) is/are withdraw 5) Claim(s) is/are allowed. 6) Claim(s) 1-40 and 66-76 is/are rejected. 7) Claim(s) is/are objected to. 8) Claim(s) are subject to restriction and/or Application Papers  9) The specification is objected to by the Examiner 10) The drawing(s) filed on is/are: a) access Applicant may not request that any objection to the or Replacement drawing sheet(s) including the correction in the original paper.	relection requirement.  r. epted or b) objected to by the Edrawing(s) be held in abeyance. See ion is required if the drawing(s) is objected to by the edition is required if the drawing(s) is objected to by the edition is required if the drawing(s) is objected to by the edition is required if the drawing(s) is objected to by the edition is required if the drawing(s) is objected to by the edition is required if the drawing(s) is objected to by the edition is required if the drawing(s) is objected to by the edition is required if the drawing(s) is objected to by the edition is required if the drawing(s) is objected to by the edition is required if the drawing(s) is objected to by the edition is required if the drawing(s) is objected to by the edition is required if the drawing(s) is objected to by the edition is required if the drawing(s) is objected to by the edition is required in the edition is req	e 37 CFR 1.85(a). ected to. See 37 CFR 1.121(d).			
Priority under 35 U.S.C. § 119					
<ul> <li>12) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).</li> <li>a) All b) Some * c) None of:</li> <li>1. Certified copies of the priority documents have been received.</li> <li>2. Certified copies of the priority documents have been received in Application No.</li> <li>3. Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).</li> <li>* See the attached detailed Office action for a list of the certified copies not received.</li> </ul>					
Attachment(s)  1) Notice of References Cited (PTO-892)  2) Notice of Draftsperson's Patent Drawing Review (PTO-948)  3) Information Disclosure Statement(s) (PTO/SB/08) Paper No(s)/Mail Date	4) Interview Summary Paper No(s)/Mail Da 5) Notice of Informal P 6) Other:	te			

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#### **DETAILED ACTION**

1. Receipt is acknowledged of the Appeal Brief received on 10-25-06. The Examiner has done a Non Final Rejection (below) to more clearly articulate the art rejections below. The Examiner notes to the Applicant that he is relying on FIG. 57,58A of the Applicants own Specification, where the portable card holder is taught as merely a holder, which appears to hold a storage member (card) inside/in between it. This interpretation is relied upon for the art rejection below, and the Examiner suggests the Applicant reply with respect to such an interpretation.

### Claim Objections

2. Claims 24-28 are objected to because of the following informalities:

Replace "at removable" with - at least one removable --.

Replace "storage" with - storage member --.

Appropriate correction is required.

## **Double Patenting**

The nonstatutory double patenting rejection is based on a judicially created doctrine grounded in public policy (a policy reflected in the statute) so as to prevent the unjustified or improper timewise extension of the "right to exclude" granted by a patent and to prevent possible harassment by multiple assignees. See *In re Goodman*, 11 F.3d 1046, 29 USPQ2d 2010 (Fed. Cir. 1993); *In re Longi*, 759 F.2d 887, 225 USPQ 645 (Fed. Cir. 1985); *In re Van Ornum*, 686 F.2d 937, 214 USPQ 761 (CCPA 1982); *In re Vogel*, 422 F.2d 438, 164 USPQ 619 (CCPA 1970); and *In re Thorington*, 418 F.2d 528, 163 USPQ 644 (CCPA 1969).

A timely filed terminal disclaimer in compliance with 37 CFR 1.321(c) may be used to overcome an actual or provisional rejection based on a nonstatutory double patenting ground provided the conflicting application or patent is shown to be commonly owned with this application. See 37 CFR 1.130(b).

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Effective January 1, 1994, a registered attorney or agent of record may sign a terminal disclaimer. A terminal disclaimer signed by the assignee must fully comply with 37 CFR 3.73(b).

3. Claims 6, 10, 15 19-22 and 73-76 are rejected under the judicially created doctrine of obviousness-type double patenting as being unpatentable over claims 1 and 6-11 of U.S. Patent No. 6,857,569 in view of Godfrey et al. (US 5,288,942).

For instance, in claim 6 of the present claimed invention the Applicants claim:

i) "...portable data card...shape...embedded storage member...storage material...processing by a data processing station...transported relative to each other..." (see claim 6),

For instance, in claim 10 of the present claimed invention the Applicants claim:

ii) "...at least one layer of storage material for storing information in a predetermined format is at least one layer of high density, high coercivity magnetic material for storing magnetic signals" (see claim 10).

For instance, in claim 15 of the present claimed invention the Applicants claims:

iii) "...portable card...substrate...removable and reinsertable...transported relative to teach other...expose at least a portion of said storage member...processing station..." (see claim 115)

For instance, in claim 19 of the present claimed invention the Applicants claim:

iv) "...magnetically permeable, magnetically saturable material." (see claim 19).

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For instance, in claim 20 of the present claimed invention the Applicants claim:

v) ...magnetically permeable, magnetically saturable...non-magnetic friction reducing layer formed on ..." (see claim 20)

For instance, in claim 21 of the present claimed invention the Applicants claim:

vi) "...high coercivity magnetic material...field orientation...magnetically permeable, magnetically saturable...magnetic field orientation...magnetic image field in a direction opposite..." (see claim 21)

For instance, in claim 22 of the present claimed invention the Applicants claim:

vii) "...least two layers wherein said one of said layers includes a magnetically permeable, magnetically saturable...non-magnetic abrasion friction reducing layer...non-magnetic material layer ....responsive through said non-magnetic layer...imagine fielding a direction opposite to said predetermined magnetic field direction." (see claim 22.

For instance in claim 73 of the present claim invention the Applicants claim:

viii) "...accessible embedded storage member...magnetic recording material...transducer...embedment of said storage member..." (see claim 73)

For instance, in claim 74 of the present claimed invention the Applicants claim:

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ix) "...abradable protective coating..." (see claim 74).

For instance, in claim 75 of the present claimed invention the Applicants claim:

x) "...magnetically permeable, magnetically saturable material..." (see claim 75)

For instance, in claim 76 of the present claimed invention the Applicants claim:

xi) "...non-magnetic friction resisting material...magnetically permeable, magnetically saturable..." (see claim 76).

The Examiner has interpreted the above claims in light of FIG. 57, 58A that in the Applicants own specification refer to a portable card 950/card holder assembly 930/portable card 948 comprising a substrate/housing 934 of a predetermined shape enclosing an accessible embedded storage member 932/958 or that the storage member is stored within the hinged housing, having at least one layer of storage material, illustrated by arrow 942 for storing information. Accordingly, it is a reasonable interpretation that portable "card" 950 is seen as merely a holder comprising a substrate/housing 934 which encloses/embeds an accessible embedded storage member 932. Therefore, the Examiner has interpreted the portable card 950/card holder assembly 930/portable card 948 as a holder/housing/substrate that that encloses and embeds a magnetic card/accessible embedded storage member 932 there within. The storage member is embedded/inside the housing/substrate as per the Applicants specification. The Examiner believes that such an interpretation is consistent with the Applicants own specification and figures as disclosed above.

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However, in the 569 Patent the Applicants claim "...a data card comprising a non-magnetic substrate...magnetic material layer...data tracks" (see claim 1). As discussed above, this is believed to teach an accessible storage member having at least one layer of storage material (layers/tracks) for storing information in a predetermined format. It is understood to be processed by a reader or other data processing station/device, as conventional in the art.

The '569 Patent teaches "high density, high coercivity magnetic material..." (see claim 6), an "abradeable protective coating over the magnetic material layer" (see claim 7), "...magnetically permeable, magnetically saturable material...non-magnetic friction reducing layer..." (see claim 8), "...non-magnetic material layer...magnetic material layer...magnetically permeable, magnetically saturable material..." (see claim 9), and "magnetically permeable, magnetically saturable material" (see claim 10), and "non-magnetic material layer...magnetically permeable, magnetically saturable...produce a magnetic image field." (see claim 11). Though silent to the image field being in an opposite direction, the Examiner notes that it would have been obvious to have an opposite field in order to provide protection (magnetic) as is known in the art. Additionally, depending on the orientation of a card, magnetic fields can be in different directions (inherently) with respect to a reference point.

The '569 Patent is silent to the storage member being embedded and enclosed within a substrate, the substrate having a predetermined shape, and that the storage member and substrate are adapted to be transported relative to each other to expose at least a portion of the storage member to a data processing station to facilitate processing of stored information and for embedment of the storage member within the substrate.

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Godfrey teaches (FIG. 3, abstract, and col 1, lines 5+) that a storage member (card) is embedded and enclosed within a substrate/housing having a predetermined shape, and that the storage member and substrate are adapted to be transported relative to each other to expose at least a portion of the storage member to a data processing station (reader or other device as known in the art) to facilitate processing of stored information and for embedment of the storage member within the substrate/holder (as the cards are removed from the cardholder to be read and placed in the cardholder for storage, as conventional in the art). The Examiner has interpreted the devices housing/body as a substrate with the storage member embedded therein, supported by the Applicants own specification which teaches that the storage member 685 is stored within a protective hinged housing or substrate shown by arrow 950 in a closed position (page 96).

At the time the invention was made, one would have been motivated to combine the teachings of Smith, Sr. et al. with those of Godfrey et al.

One would have been motivated to do this in order to provide a means to protect/ hold the storage medium.

#### Claim Rejections - 35 USC § 102

- (b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.
- 4. Claims 1, 6, 15, 23, 28, and 66 are rejected under 35 U.S.C. 102(b) as being anticipated by Tureggelmann (US 6,065,681).

Tureggelmann teaches a portable card having a substrate having a substantially planar and rectangular shape (predetermined), at least one removable and reinsertable accessible embedded storage member having at least one layer of storage material for storing information

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enclosed by the substrate, the storage member and the substrate adapted to be transported relative to each other to remove and expose at least a portion of the storage member to facilitate processing of stored information by a data processing station and for embedment of the data storage member within the substrate (FIG. 1), wherein the substrate has an IC on one of the opposed surfaces (FIG. 1), the chip being used for phones (processing of stored information by a data processing station)., such as when they are moved relative to each other as when the chip and phone/reader/data processing station are brought together.

## Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

This application currently names joint inventors. In considering patentability of the claims under 35 U.S.C. 103(a), the examiner presumes that the subject matter of the various claims was commonly owned at the time any inventions covered therein were made absent any evidence to the contrary. Applicant is advised of the obligation under 37 CFR 1.56 to point out the inventor and invention dates of each claim that was not commonly owned at the time a later invention was made in order for the examiner to consider the applicability of 35 U.S.C. 103(c) and potential 35 U.S.C. 102(e), (f) or (g) prior art under 35 U.S.C. 103(a).

5. Claims 1, 2, 6-18, 23-27, 29-40, and 66-74 are rejected under 35 U.S.C. 103(a) as being unpatentable over Godfrey.

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Re claim 1, Godfrey teaches a portable card comprising a substrate having a predetermined shape; and an accessible embedded storage member having at least one layer of storage material (magnetic) for storing information enclosed by the substrate, the storage member and the substrate being adapted to be transported relative to each other to expose at least a portion of the storage member to facilitate processing of stored information and for embedment of the storage member within the substrate (FIG. 3, abstract, and col 1, lines 5+). The Examiner has interpreted the claim in light of FIG. 57, 58A, as discussed above, where the portable card is seen merely as a holder, and that the housing/substrate has an embedded card/storage member that is removable therefrom. The Examiner notes that it is obvious that to process a card/read that it must be removed from the cardholder/keeper, and that placing the card back in is interpreted as embedding. A reader is interpreted to read upon a processing station.

Re claim 2, Godfrey teaches an elongated strip member (col 1, lines 13+).

Re claim 6, the teachings of Godfrey et al. have been discussed above. Though silent to movement, the Examiner notes that it would have been obvious to is obvious to one of ordinary skill in the art to have relative movement between the storage member and the substrate to remove the card to be processed and to embed the storage member, such as when the card is removed to be read, and then when the card is placed back in the keeper/holder to be stored.

Re claim 7, magnetic mediums have been discussed above.

Re claims 8-9, the Examiner notes that optical/magneto-optical storage mediums are well known and conventional in the art, and placing them in a device such as taught by Godfrey et al. would be obvious in order to hold/organize/transport them. The use of magneto-optical/optical

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data storage cards is an obvious expedient in order to store more data and also provide for security.

Re claim 10, the Examiner notes that it is well known and conventional in the art to have high-density magnetic materials in order to store increased data. Though silent to high coercivity magnetic material, the use of high coercivity materials is known in the art for suitable properties for recording such as reducing effects from stray magnetic fields.

Re claim 11, the Examiner notes that it is well known and conventional in the art to cover magnetic strips with a protective layer (for protection against wear, for example), and that such a layer can be interpreted as abradable (wearable).

Re claim 12, though silent, the Examiner notes that the substrate can be moved relative to the data processing station such as when the substrate/housing is presented (removed from pocket/wallet/garment, to be opened for card removal), and then the substrate/housing is put away. This requires movement of the substrate/housing relative to the processing station.

Re claims 13 and 14, the Examiner notes that it is common for card readers to move when reading cards, based on the type of reader/card. This is interpreted as the data processing station/reader moving relative to the substrate (which could be stationary at that point). One would have been motivated to have such movement based on system constraints, the type of card, the type of reader, etc. Additionally, the mere movement of the substrate/housing (by a user) when the processing station/reader is moving to read, can be interpreted as moving relative to each other. The Examiner notes that the movement of the cardholder/keeper/substrate/housing, such as by habit by a user or by walking around with it in their pocket, while the reader/processing station is moving, reads upon the claims. It is well

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known that people can move while cards are being read, based out of a habit/nervousness for example. As the claims are sufficiently broad, such an interpretation is reasonable, as are the others listed above.

Re claim 15, the limitations have been discussed above. Relative movement between the storage member and the substrate/housing, have been discussed above such as removal of the card and reinsertion of the card into the cardholder/keeper.

Re claims 16-18, the limitations have been discussed above. Re claim 18, it would have been obvious to form the magnetic strip of thin films, and that they have a predetermined magnet field to permit storing of data, in order to achieve high recording density, reliability, low costs, and a low profile. The Examiner interprets typical magnetic strips as thin films. A magnetic field (predetermined) permits writing and reading to be easily performed.

Re claim 23, the limitations have been discussed above. The housing/substrate is seen as generally rectangular and substantially planar. The Examiner notes that a rectangular/planar shape is well known and conventional in the art for transportability and convenience/portability.

Re claims 24-27, the Examiner notes that rectangular storage members (magnetic strips), circular storage members (arcs/circles), two/three removable/reinsertable members (cards with a plurality of strips), and IC cards are well known and conventional in the art to provide for increased security, data storage capability, versatility, etc. It would have been obvious to use such member with the teachings of Godfrey et al. for transportation/protection and the desired benefits of such well know storage formats.

Re claims 29-30, the Examiner notes that it is well known and conventional in the art to read a card with a transducer, as an accepted way to reliably read stored data. An inductive read

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head is a type of transducer, as are GMR/MR heads (capable or reading anisotropic materials), and thin film heads. One would have been motivated to select a particular well known type of transducer in order to read/process the stored data off the card/storage member, as is conventional in the art, for example, by inducing a field (magnetic) in the head core which induces an electric current in the read head for reading. Selection of a particular type of transducer for reading/processing purposes is an obvious expedient in the art, based on cost, design constraints, system constraints, etc., for example MR heads can read anisotropic materials.

Re claims 34-36, the Examiner notes that depending on the orientation of the card and the processing station, the magnetic field orientation of the material can take a parallel, perpendicular, or acute orientation with respect to the processing station. As the claims do not recite a structural relationship resulting in the orientations of the field, general field orientations are therefore a known property, and moving a card in relation can result in different orientations. Mere movement of a card can read upon the claims, as the claims do not recite that the field orientations occur when the card is inserted or actually being read, and thus the prior art is understood to meet the limitations. Additionally, anisotropic and isotropic materials can cause field orientations that can be normal to each other.

Re claims 37-40, the Examiner notes that such means for applying a magnetic material/coating are well known and conventional in the art. One would have chosen such a means for applying the magnetic material based on system constraints, costs, availability of machines, etc. Further, the Examiner notes that simply adjusting the orientation of a station or a card, is an obvious matter of design variation, as such orientation does not service a particular

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purpose that is not taught by that which is conventional in the art (reading and writing to magnetic mediums).

Re claims 66-69, the limitations have been discussed above.

Re claims 70-72, the Examiner notes that it is well known and conventional in the art for magnetic materials to be isotropic/anisotropic, and that platinum is an isotropic material. The selection of such materials is an obvious expedient in order to accurately store quantities of magnetic data. The use of MR heads is well known and conventional in the art, and MR heads are known to read anisotropic magnetic strips. Therefore the selection of a known material based on known properties is an obvious expedient to one of ordinary skill in the art for expected results.

Re claims 73-74, the limitations have been discussed above.

6. Claim 3 is rejected under 35 U.S.C. 103(a) as being unpatentable over Godfrey, as applied to claim 1 above, further in view of Liu et al. (US 2001/0052543).

The teachings of Godfrey have been discussed above.

Godfrey is silent to circular storage members.

Liu et al. teaches circular storage members (magnetic) (FIG. 2D-2Q).

At the time the invention was made, it would have been obvious to an artisan of ordinary skill in the art to combine the teachings of Godfrey with those of Liu et al.

One would have been motivated to do this in order to hold several cards, including those with data stripes, and arcs/circular storage.

7. Claims 4-5 are rejected under 35 U.S.C. 103(a) as being unpatentable over Godfrey, as applied to claim 1 above, further in view of Middlemiss et al. (US 6,184,788).

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The teachings of Godfrey have been discussed above.

Godfrey teaches a means for carrying cards, but is silent to the means/substrate having a first and second layer operatively coupled to each other so that the first layer is movable with respect to the second layer and wherein a storage member is located on at least one of the first or second layer.

Middlemiss et al. teaches such limitations (FIG. 3-FIG. 4) where a clamshell type cardholder is shown. Re claim 5, it is understood that opposite movement of opening (i.e. closing) embeds the storage member in the substrate.

At the time the invention was made, it would have been obvious to an artisan of ordinary skill in the art to combine the teachings of Godfrey with those of Middlemiss et al.

One would have been motivated to do this in order to have a substrate that holds storage members in a clamshell type arrangement, allowing easier access to the storage members/cards while providing more protection.

8. Claims 8-9 are rejected under 35 U.S.C. 103(a) as being unpatentable over Godfrey, as discussed above, in view of Takada (US 5,237,164).

The teachings of Godfrey have been discussed above.

Godfrey is silent to optical/magneto-optical strips.

Takada teaches such limitations (col 9, lines 45+).

At the time the invention was made, it would have been obvious to one of ordinary skill in the art to combine the teachings of Godfrey with those of Takada.

One would have been motivated to do this in order to have additional storage, security, to comply with system constraints, etc.

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9. Claim10 is rejected under 35 U.S.C. 103(a) as being unpatentable over Godfrey, as discussed above, in view of Ataie et al. (US 5,858,265).

The teachings of Godfrey have been discussed above.

Godfrey is silent to high density and high coercivity.

Ataie et al. teaches such limitations (col 1, lines 18+). Though silent to high density, it is understood that cards (credit) can include high density for data storage.

At the time the invention was made, it would have been obvious to combine the teachings of Godfrey with those of Ataie et al.

One would have been motivate do this for increased data storage and protection.

10. Claim11 is rejected under 35 U.S.C. 103(a) as being unpatentable over Godfrey, as discussed above, in view of Hynes et al. (US 3,383,252).

The teachings of Godfrey have been discussed above.

Godfrey is silent to an abradable protective coating.

Hynes et al. teaches a coating to protect strips, interpreted as abradable (abstract).

At the time the invention was made, it would have been obvious to one of ordinary skill in the art to combine the teachings of Godfrey with those of Hynes et al.

One would have been motivated to do this to protect the stripe.

11. Claim 18 is rejected under 35 U.S.C. 103(a) as being unpatentable over Godfrey, as discussed above, in view of Bloodworth (US 4,271,351).

The teachings of Godfrey have been discussed above,

Bloodworth teach a magnetic film (interpreted as a thin film) (26).

At the time the invention was made, it would have been obvious to have the magnetic film as a thin film, to comply with conventional techniques to provide a smooth, reliable, magnetically encodable stripe without adding extreme thickness to the card.

12. Claims 24 and 26-27 are rejected under 35 U.S.C. 103(a) as being unpatentable over Godfrey, as discussed above, in view of Chapin, Jr. (US 5,984,191).

The teachings of Godfrey have been discussed above.

Godfrey is silent to up to three removable rectangular members.

Chaplin, Jr. teaches such limitations (FIG. 16+), where the magnetic strips on the body are interpreted as removable, reinsertable, and enclosed by the substrate and adapted to be moved relative to the substrate for reading/processing.

At the time the invention was made, it would have been obvious to combine the teachings of Godfrey with those of Chaplin, Jr.

One would have been motivated to do this in order to provide additional accounts for increased data storage and versatility.

13. Claim 25 is rejected under 35 U.S.C. 103(a) as being unpatentable over Godfrey, as discussed above, in view of Liu et al. (US 2001/0052543).

The teachings of Godfrey have been discussed above.

Godfrey is silent to circular shaped members.

Liu et al. teaches such limitations (FIG. 2F+), where the arcs/circular portions on the body are interpreted as removable, reinsertable, and enclosed by the substrate and adapted to be moved relative to the substrate for reading/processing.

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At the time the invention was made it would have been obvious to one of ordinary skill to combine the teachings of Godfrey with those of Liu et al.

One would have been motivated to do this for increased data storage, design/system constraints, security, etc.

14. Claims 29-36 and 72 are rejected under 35 U.S.C. 103(a) as being unpatentable over Godfrey, as discussed above, in view of West et al. (US 5,714,747).

The teachings of Godfrey have been discussed above.

Godfrey is silent to inductive card readers/transducers.

West teaches such limitations (col 1, lines 39+).

At the time the invention was made, it would have been obvious to one of ordinary skill in the art to combine the teachings of Godfrey with those of West et al.

One would have been motivated to do this to reliably read a magnetic stripe card, as is conventionally used in the art.

Re claim 30, an inductive head is a type of transducer.

Re claim 32, a magnetoresisitve head is taught (abstract).

Re claims 33 and 31, though silent to a GMR and thin film head, the Examiner notes that such heads are additional types of well-known reading devices, and are an obvious expedient for reliably reading strips/data storage devices. One would have been motivated to use such alternative reading means based on system constraints, cost, and other factors. The mere claiming of other well known reading devices is seen as obvious to one of ordinary skill in the art as an obvious expedient for system constraints, costs, expected results, etc.

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Re claims 34-36, the Examiner notes that movement of anisotropic/isotropic materials can cause field orientations to be acute, normal, or parallel.

Re claim 72, it is understood that MR heads read anisotropic materials/strips.

15. Claims 37-40 are rejected under 35 U.S.C. 103(a) as being unpatentable over Godfrey, as discussed above, in view of Kenneth et al. (US 5,594,233).

The teachings of Godfrey have been discussed above.

Godfrey is silent to an oxide layer (claim 39).

Kenneth et al. teaches such limitations (col 1, lines 30+).

At the time the invention was made, it would have been obvious to one of ordinary skill in the art to combine the teachings of Godfrey with those of Kenneth et al.

One would have been motivated to do this in order to provide a means for data storage (magnetically) that is conventional in the art.

Though silent to the other methods of forming the magnetic stripe, the Examiner notes that such methods are well known and conventional in the art. One would have been motivated to use alternative methods based on system constraints, costs, and other factors. The mere claiming of other means of forming the magnetic strip are seen as obvious to one of ordinary skill in the art.

16. Claims 37-40 are rejected under 35 U.S.C. 103(a) as being unpatentable over Godfrey, as discussed above, in view of Hasebe (JP410031813).

The teachings of Godfrey have been discussed above.

Godfrey is silent to sputtering (claim 37).

Hasebe teaches such limitations (SOLUTION).

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At the time the invention was made, it would have been obvious to one of ordinary skill in the art to combine the teachings of Godfrey with those of Hasebe.

One would have been motivated to do this in order to deposit thin layers for magnetic storage.

Though silent to the other methods of forming the magnetic stripe, the Examiner notes that such methods are well known and conventional in the art. One would have been motivated to use alternative methods based on system constraints, costs, and other factors. The mere claiming of other means of forming the magnetic strip are seen as obvious to one of ordinary skill in the art.

17. Claims 34-36 and 70-72 are rejected under 35 U.S.C. 103(a) as being unpatentable over Godfrey, as discussed above, in view of Sedley (US 3,595,042).

The teachings of Godfrey have been discussed above.

Godfrey is silent to isotropic/anisotropic materials.

Sedley teaches isotropic and anisotropic materials (col 10, lines 57+).

At the time the invention was made, it would have been obvious to one of ordinary skill in the art to combine the teachings of Godfrey with those of Sedley.

One would have been motivated to do this to have magnetic materials suitable for data storage, as is conventional in the art, with magnetic polarization in different directions (orthogonal or parallel) so as to be processed by reading/processing stations as known in the art.

Re claims 34-36, the Examiner notes that depending on the orientation of the card and the processing station, the magnetic field orientation of the material can take a parallel, perpendicular, or acute orientation with respect to the processing station. As the claims do not

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recite a structural relationship resulting in the orientations of the field, general field orientations are therefore a known property, and moving a card in relation can result in different orientations. Further, it is understood that anisotropic/isotropic materials can cause field orientations to be parallel or normal or even acute, when moved/placed near processing stations for example. Furthermore, mere movement of a card can read upon the claims, as the claims do not recite that the field orientations occur when the card is inserted or actually being read, and thus the prior art is understood to meet the limitations. Additionally, the Examiner notes that platinum is an isotropic material. The selection of such materials is an obvious expedient in order to accurately store quantities of magnetic data. The use of MR heads is well known and conventional in the art, and MR heads are known to read anisotropic magnetic strips. The selection of a well-known material based on expected properties is an obvious expedient to one of ordinary skill in the art for predicted results.

### Response to Arguments

18. The Examiner notes that the specification discloses that the card holding device is interpreted as the card, and that the embedded storage member is interpreted as the actual memory device (actual card), which is embedded in the housing/substrate. The Examiner has used this interpretation to reject the claims, as set forth above where the card/memory is embedded or inside the housing (interpreted as a substrate). Additionally, the Examiner notes that many of the claimed limitations are well known and conventional in the art. If the Applicant wishes to discuss such limitations and the holding that they are well known and conventional in

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the art, the Examiner directs the Applicant to telephone the Examiner to address such issues, in order to expedite prosecution. In addition, the Examiner notes that as the Applicants own specification shows (FIG. 57, 58A) the embedded storage member (interpreted as a typical magnetic strip card, for example) is merely housed in the portable card (950), the Examiner believes the interpretation of the portable card 950 as merely a card holder, which holds an embedded card is a reasonable interpretation as provided in the Office Action above. Again, the Examiner invites the Applicant to telephone the Examiner if this issue warrants clarification, to expedite prosecution. The Examiner attempted to discuss such issues with the Applicant previously via telephone.

#### Additional Remarks

19. The Examiner notes (re claims 19-22 and 75-76 which were rejected under obviousness type double patenting, but not by an art rejection) that Shiroshi (US 5,147,732) teaches a magnetically permeable magnetically saturable layer (NiFe 23), but that it is not a layer of an abradable protective coating, but rather is a magnetic thin film on a recording side (storage, not protective layers). Bittmann (US 3,633,188) and Sedley (US 3,595,042) teach magnetic strips (thin films) with anisotropic materials with a direction of magnetism along the length of the card.

#### Conclusion

20. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure: Shiroshi (US 5,147,732) and the other teachings listed above.

21. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Daniel I. Walsh whose telephone number is (571) 272-2409. The examiner can normally be reached on M-F 7:30-4:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Michael G. Lee can be reached on (571) 272-2398. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

Daniel I Walsh Examiner Art Unit 2876

2-23-07

DANIEL WALSH PRIMARY EXAMINER

SUPERVISORY PATENT EXAMINER